Valuing Ecotourism as an Ecosystem Service

The Current Situation

- Under valuation leading to erosion of Natural Capital
- Only 32 of 78 Biosphere reserves charging entrance fees
- Komodo NP, Indonesia $3, Loreto Bay, Mexico NP $2
- Revenues not reinvested at site level
- Developing country parks are subsidizing wealthy Northern visitors!
- No Virtuous Cycle linking demand to biodiversity health

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User Fees

Health of Protected Area

Strong Demand

Sustainable Visitation

Tourism Management Capacity

Positive feedback loop between tourism impacts and conservation

The Nature Conservancy’s Tourism User Fee Initiative

- Research (See workshop materials)
- Site selection criteria inc.: potential to generate $100k pa; leverage potential; Capacity to implement
- Terrestrial, Coastal, Marine PAs
- Three initial pilot sites (Bolivia, Mexico, Belize)
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**Galapagos Islands Case Study**

### Table 4: Visitor use fees for the Galapagos N.P.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign visitor (non-resident)</td>
<td>100</td>
</tr>
<tr>
<td>Foreign visitor under 12 years</td>
<td>50</td>
</tr>
<tr>
<td>Foreign visitor of a member country of the Andean Community or the country of the Andean Community of the Ecuadorian Amazon under 12 years</td>
<td>25</td>
</tr>
<tr>
<td>Citizen or resident of Ecuador</td>
<td>0</td>
</tr>
<tr>
<td>Citizen or resident of Ecuador under 12 years</td>
<td>0</td>
</tr>
<tr>
<td>Foreign visitor non-resident reflecting a national academic institution under 2 years</td>
<td>25</td>
</tr>
<tr>
<td>National or foreign children under 2 years</td>
<td>No fee</td>
</tr>
</tbody>
</table>

### Annual license fees for boats per berth (US$)

<table>
<thead>
<tr>
<th>Type</th>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cruise</td>
<td>A</td>
<td>250</td>
</tr>
<tr>
<td>Cruise</td>
<td>B</td>
<td>200</td>
</tr>
<tr>
<td>Cruise</td>
<td>C</td>
<td>150</td>
</tr>
<tr>
<td>Day tour</td>
<td>R</td>
<td>250</td>
</tr>
<tr>
<td>Day tour</td>
<td>E</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: Government of Ecuador, 1990

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### PHASE 1

- Tourism Diagnostic
- Establish forum for dialogue with Stakeholders
- Establish Visitor Registration System
- Price Responsiveness Surveys

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### PHASE 2

- Determine PA management and tourism management budget
- Determine fee levels and mechanisms
- Define Revenue flow and management
- Consult Stakeholders AGAIN!
Step-by-Step Design and Implementation

PHASE 3

• Design and Print informational materials for visitors
• Train guides and “point of purchase” staff
• Initiate Pilot and Start taking the money
• Monitor, Evaluate, Tweak
• Establish Virtuous Cycle

Recommendations

– Protected area systems should have an income generation strategy that includes visitor use fees.
– Fees should generate sufficient revenue to at least cover the cost of providing recreation opportunities.
– Foreign visitors should be charged more.
– Survey visitors to evaluate price responsiveness and review fees at equivalent sites when setting fees.

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• Involve stakeholders, especially the tourism industry and local communities, when setting fees.

• Fee systems should be:
  – subject to change by the PA agency rather than the legislature;
  – retain revenue within the agency and especially at the site where it is collected
  – Sharing revenue with local communities.

• Ensure a Virtuous Cycle exists - A positive feedback loop between user fee levels, demand and health of conservation targets should be the goal.